

WASHINGTON, DC – U.S. Congressman Allen Boyd (D-North Florida) took the lead in protecting Gulf Coast communities and small businesses today by introducing legislation in the House of Representatives that holds oil companies fully accountable for the economic damages inflicted on local industries resulting from any type of oil spill.

“While a concerted effort is underway to clean up the environmental impact of this disaster, we must also take action to correct the negative economic impact this incident will have on Gulf Coast communities, industries, fisheries and small businesses,” said Congressman Boyd. “Oil companies – and not the taxpayers – should be held accountable for the cost of damage resulting from an oil spill, both environmentally and economically. The legislation I introduced today will help support our local communities during this crisis and fill the economic losses they are likely to experience as a result of this oil spill.”

Oil companies are currently responsible for covering the entire cost of cleanup efforts resulting from oil spills but are only liable for \$75 million worth of economic damages. Once that liability cap is reached, additional claims are made against the Oil Spill Liability Trust Fund, which is funded by an 8 cent tax for every barrel of oil produced or imported into the United States. Congressman Boyd’s bill would raise the cap from \$75 million to \$10 billion, alleviating the cost to taxpayers for economic damages in excess of \$75 million.

Congressman Boyd concluded: “Moving forward, it is imperative that we take every reasonable step to prevent another incident like this from happening, which is why I believe any plans for expanding offshore drilling in the Gulf should be suspended until a thorough investigation into what caused this disaster is completed.”

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